

7825.2600 ELECTRIC ENERGY ADJUSTMENT.

Subpart 1. **Computation generally.** The computations of the automatic adjustment to charges must conform to the procedures set forth in this part.

The amount of the billing period adjustment to charges must be determined by extending kilowatt-hour sales in the billing period by an adjustment per Kwh. The adjustment per Kwh or the amount of the adjustment must be stated on the customer's bill to comply with parts 7820.3500 and 7820.3600.

Subp. 2. **Adjustment per Kwh.** The adjustment per Kwh is the sum of the current period cost of energy purchased and cost of fuel consumed per Kwh less the base electric cost per Kwh. However, a utility that purchases at least 75 percent of its annual total Kwh sales may also separately add, upon commission approval, an additional adjustment per Kwh equal to the difference between the purchased demand cost and the base electric cost of purchased demand. This purchased demand cost adjustment is to be computed annually for the previous year less the demand base electric cost per Kwh.

Subp. 3. **When adjustments calculated, applied.** The adjustment to charges must be made in the next complete billing period succeeding the determination of the adjustment per Kwh, provided the adjustment has been filed as defined by part 7825.2900. The adjustment factor must be calculated monthly. However, a self-billing utility may calculate the adjustment less frequently, upon commission approval but at least annually, and shall provide for a settlement procedure. The adjustment must be applied each month. The adjustment amount must be rounded such that the projected recovery is within two percent of the change in total cost.

Statutory Authority: *MS s 216B.03; 216B.05; 216B.08; 216B.16*

History: *9 SR 1204; 14 SR 977*

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